

**CITY OF BRAZIL****HEALTH BENEFITS SUMMARY**

<b>ELIGIBILITY:</b>	<b>FULL TIME EMPLOYEES, SPOUSES, - DEPENDENT CHILDREN TO AGE 19 OR 26 IF FULL TIME STUDENTS</b>
<b>LIFE INSURANCE:</b>	<b>\$15,000</b>
<b>PPO:</b>	<b>SAGAMORE - WRAPAROUND IS MULTIPLAN</b>
<b>LIFETIME MAX:</b>	<b>\$5,000,000</b>
<b>DEDUCTIBLE:</b>	<b>\$1,100 IN NETWORK, 2 PER FAMILY (50% SUBSIDIZED BY CITY INTO HEALTH SAVINGS ACCOUNTS)</b>
<b>COINSURANCE:</b>	<b>80/20% OF \$1,400 IN NETWORK, 100% THEREAFTER</b>
<b>OFFICE CALLS:</b>	<b>APPLY TO DEDUCTIBLE</b>
<b>RX DRUGS:</b>	<b>APPLY TO DEDUCTIBLE DISCOUNT CARD PROVIDED</b>
<b>WELLNESS:</b>	<b>\$250 PER PERSON</b>
<b>EMERGENCY ROOM ACCESS FEE:</b>	<b>\$50</b>

**LATE APPLICANTS****PRE-EXISTING CONDITIONS****CREDITABLE COVERAGE CERTIFICATES  
(SEND TO PEKIN)**

# Administrative Guidelines

## Employee Eligibility

All active full-time employees working at least 30 hours each week are eligible for coverage.

Employees beginning work on a full-time basis after the policy is effective become eligible following the completion of a waiting period chosen by the employer.

## Dependent Eligibility

Dependents are eligible when the employee is eligible. Eligible dependents include the employee's spouse and unmarried children to age 19, or to age 25 if a full-time student in classroom attendance, or a child dependent on the insured for full maintenance and support due to mental retardation or physical handicap.

## Participation Requirement

At least 75% of all eligible employees not covered by other health insurance must participate in the health insurance plan. A minimum of 50% of all eligible employees must participate in the health insurance plan, and a group must never have less than two employees insured under the policy.

Number of Eligible Employees	2	3	4	5	6	7	8	9	10+
Minimum Participation Required	2	3	3	4	5	6	6	7	75%

## Contribution Requirement

The employer must contribute a minimum of 50% toward the employee-only premium, or 25% of the employee and dependent premium.

## Underwriting

All applicants are to complete all sections of the application. Also, it is necessary to include a Certificate of Creditable Coverage, if the applicant has had any other health insurance coverage in force in the 12 months before the application date.

## Adding a new employee

If an employee or his dependents apply on or before the date they are eligible, they will become insured on the date they are eligible. If an employee or his dependents apply within 30 days after the date they are eligible, they will become insured on the premium due date following the date they apply.

## Late enrollees

The application for a late enrollee will be postponed for 15 months from the date it is signed.

If the employee is continuously employed by the employer during the 15-month period, those eligible and listed on the application will become insured on the premium due date following the end of the postponement period.

## Coordination of Benefits

If a person has medical or dental coverage under another group plan, we will coordinate our benefits with those of that plan.

## Renewability

This plan may be nonrenewed or terminated for the following reasons:

- Fraud or misrepresentation.
- Noncompliance with the policy's minimum participation requirements.
- Noncompliance with the policy's employer contribution requirements.
- Noncompliance with plan provisions.
- Repeated misuse of the Preferred Provider Network provisions.
- The group is not actively engaged in any business.

## Premium Changes

Premiums may change if there is a need for new rates after the policy has been in force for 12 months, or sooner than 12 months if the group has taken on substantial health risks since initially written. Also, if not all health information was disclosed at the time of issue, we may go back to the original issue date and charge the appropriate premium. We will give the group at least 30 days notice of any rate change, except rate changes due to changes in coverage.

## Contraceptive Benefit

This benefit is available only to groups with 15 or more employees.

This benefit provides coverage for oral contraceptives, injections for contraceptive purposes, including Depoprovera and Norplant, and for contraceptive devices which require a written prescription before dispensing.

## Mental Health Parity Benefit

This benefit is available only to groups with 50 or more employees.

The inclusion of mental parity changes the Mental Illness/Nervous Disorders and Chemical Dependency coverage. The limitations for Mental Illness/Nervous Disorders are removed with mental parity. The limits will still apply to Chemical Dependency, except when treatment of chemical dependency is required in the treatment of the mental illness/nervous disorder.

## Limitations

When an insured receives treatment for the following limited benefits, the plan's regular coinsurance percentages and co-insurance share amounts may not apply.

### Mental Illness/Nervous Disorders & Chemical Dependency

We pay 50% of the covered expense after the deductible has been satisfied. The maximum benefit is \$10,000 each calendar year.

## Physical Therapy/ Manipulative Therapy

Expenses incurred for outpatient physical therapy and outpatient manipulative therapy will be considered covered expenses. The expense will be subject to all major medical policy provisions. The maximum benefit that will be paid for outpatient physical therapy/manipulative therapy is limited to \$1,000 for each insured in a calendar year.

## Occupational Therapy

The maximum benefit that will be paid for outpatient occupational therapy is \$1,000 for each insured in a calendar year.

## Speech Therapy

The maximum benefit that will be paid for outpatient speech therapy is \$1,000 for each insured in a calendar year.

## Sterilization

For insureds who have been on this policy or the former policy for 12 months, we pay 50% after the deductible has been satisfied.

## Pre-Existing Condition Limitation

- If an insured is not a late enrollee, an expense incurred for treatment of a pre-existing condition during the insured's first nine months of coverage will not be considered a covered expense.
- The nine-month period will be reduced by the amount of time the insured was covered by qualifying creditable coverage the insured had as of the enrollment date.
- Pre-existing condition means any illness or injury, whether physical or mental, for which medical advice, care, or treatment was recommended for or received by the insured within the six-month period before his/her enrollment date.
- Pregnancy is not considered a pre-existing condition.

## Exclusions

This policy does not cover and no benefits are payable for charges for, or related to:

- An act of war.
- Service in the armed forces.
- Suicide, attempted suicide, or intentionally self-inflicted injury, whether sane or insane.
- Complications arising from excluded treatment, except for complications of pregnancy.
- Commission of a felony or illegal activities.
- Services that are not medically necessary.
- Services for which no benefit is defined or described in the policy.
- Incidental appendectomies.
- Treatment of educational or training problems, learning disorders, marital counseling, or social counseling.
- Services provided by an employee of a school district, or a person contracted to provide services for a school district; or services available through a school system.
- Norplant, or any items that can be used for contraceptive purposes, except as provided under the "Contraceptive Benefit."
- Oral or other contraceptives, regardless of intended use, except as provided under the "Contraceptive Benefit."
- Any experimental/investigational service, supply, or treatment.
- The use of any services or facilities of a federal, Veteran's administration, state, county, or municipal hospital, except where we or the insured are legally required to pay the expenses.
- Treatment of an injury or illness caused by or resulting from an illness or injury of the insured, if the illness or injury is recognized as a compensable loss by the provisions of any workers compensation act, employer liability law, occupational disease law, or any similar